

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION**

INVESTMENT COMMITTEE

November 13, 2007

8:30 a.m.

Lincoln Plaza North
400 Q Street
Auditorium
Sacramento, CA

COMMITTEE MEMBERS

Charles Valdes, Chair
George Diehr, Vice Chair
Marjorie Berte
Robert F. Carlson
John Chiang
Rob Feckner
David Gilb
Bill Lockyer
Priya Mathur
Tony Oliveira
Mike Quevedo, Jr.
Kurato Shimada
Maeley L. Tom

CLOSED SESSION 8:30 a.m.

Chief Investment Officer's Briefing on Market and Personnel Issues
(Government Code sections 11126(a)(1) and (c)(16))

OPEN SESSION 9:00 a.m.

CLOSED SESSION Upon Adjournment or Recess of Open Session
(Government Code section 11126(c)(16) and 11126(e))

AGENDA

OPEN SESSION

1. Call to Order and Roll Call
- Action 2. Approval of the October 15, 2007 Open Session Minutes

Action	3.	Policy Subcommittee Report <ul style="list-style-type: none"> a. Revision of Glossary Definition of Global Equity Emerging Markets b. Revision of Policy on Manager Development Program I and II (MDP) Manager Transition c. Adoption of Policy on Emerging Equity Markets Principles and Repeal of Policy on Permissible Equity for Emerging Equity Markets d. Policy Review and Consolidation Project – Revision of Investment and Risk Management Policies <ul style="list-style-type: none"> 1) Derivatives – Investment Office 2) Derivatives – External Money Managers 3) Developmental Investment Fund 4) Risk Management 5) Securities Lending 6) Credit Enhancement Program e. Policy Review and Consolidation Project – Revision of Operations Policies <ul style="list-style-type: none"> 1) Custody Management 2) Directed Brokerage Arrangement
Information	4.	Total Fund <ul style="list-style-type: none"> a. Asset/Liability Management Workshop Preview b. Inflation-Linked Asset Class – Organizational Structure
Information	5.	Real Estate
Information	6.	Alternative Investment Management (AIM) Program
Action	7.	Global Fixed Income <ul style="list-style-type: none"> a. International Fixed Income Managers Annual Review
Action	8.	Global Equity <ul style="list-style-type: none"> a. Selection of US Relaxed Long-Only Managers for Spring-Fed Pool b. Corporate Governance Update <ul style="list-style-type: none"> 1) Countrywide Financial Executive Compensation Update 2) Update on Environmental Initiative
Action	9.	Legislation <ul style="list-style-type: none"> a. 2007-08 Proposed Federal Legislative and Regulatory Investment Policy Guidelines
Information	10.	Chief Investment Officer's/Assistant Executive Officer's Report <ul style="list-style-type: none"> a. Consolidated Investment Activity Report b. Chief Operating Investment Officer's Status Report
Information	11.	Draft Agenda for December 17, 2007
	12.	Public Comment

Note: Items designated for information are appropriate for Board/Committee action if the Board/Committee wishes to take action. Any agenda item from a properly noticed Subcommittee meeting held immediately prior to this meeting may be reported on or presented to the Investment Committee for its consideration.

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INVESTMENT COMMITTEE

November 13, 2007

AGENDA

CLOSED SESSION Upon Adjournment or Recess of Open Session
(Government Code section 11126(c)(16) and 11126(e) [Item 8 only])

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| | 1. | Call to Order and Roll Call |
| Action | 2. | Approval of the October 15, 2007 Closed Session Minutes |
| | 3. | Total Fund |
| Information | a. | Status of Implementation of Sudan Divestment Legislation (AB 2941) |
| | 4. | Real Estate |
| Information | a. | Portfolio Manager Update |
| Information | b. | Portfolio Sector Update |
| | 5. | Alternative Investment Management (AIM) Program |
| Information | a. | Legacy Portfolio Update |
| | 6. | Global Fixed Income |
| Information | a. | External Manager Update |
| | 7. | Global Equity |
| Information | a. | External Manager Update |
| Information | b. | Corporate Governance Update |
| | | 1) Proxy Access |
| Information | 8. | Potential Litigation – Settlement of Securities Fraud Claims Against Qwest Communications International, Inc. |
| | 9. | Chief Investment Officer's/Assistant Executive Officer's Report |
| Information | a. | Status of Action Items Not Yet Reported |
| Information | 10. | Activity Reports |
| | a. | Alternative Investment Management Program |
| | b. | Risk Managed Absolute Return Strategies Program |
| | c. | Public Markets |